

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2188
TO BE ANSWERED ON 15.03.2021

Emergency credit to M SMEs

2188. Shri Prabhakar Reddy Vemireddy:

Will the Minister of Micro, Small and Medium Enterprises be pleased to state:

- (a) emergency credit line announced under Atma Nirbhar Bharat Package (ABP);
- (b) eligibility criteria to avail this credit line by Micro, Small and Medium Enterprises (MSMEs);
- (c) whether scheme is announced only till October, 2020;
- (d) whether there are demands from MSMEs sector to extend this scheme for one more year and if so, what the Ministry has done on this;
- (e) to what extent this helps in resuming activity of MSMEs and safeguarding jobs; and
- (f) whether Government is happy with Budget allocation for 2021-22 and if not, how it is going to manage its schemes within the available resources in the next fiscal?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NITIN GADKARI)

(a): As part of the Aatma Nirbhar Bharat Abhiyaan, Emergency Credit Line Guarantee Scheme (ECLGS) was introduced as an emergency measure to combat the unprecedented crisis caused in the wake of Covid-19 pandemic.

(b): Under the scheme, credit from Scheduled Commercial Banks, Financial Institutions, Non-Banking Financial Companies is provided to businesses including Micro, Small & Medium Enterprise (MSME) and individual loans for business purposes upto 20% of their outstanding credit as on 29.2.2020. Borrower accounts including MSMEs with combined outstanding loans across all MLIs of up to Rs. 50 crore and classified as regular, SMA-0 or SMA-1 as on 29.2.2020 in any sector, are eligible for credit under this scheme. The scheme is being administered by Department of Financial Services and implemented through National Credit Guarantee Trustee Company Ltd. (NCGTC).

(c) & (d): The Scheme has been extended through ECLGS 2.0 for the 26 sectors identified by the Kamath Committee and the health care sector. The entities with outstanding credit above Rs. 50 crore and not exceeding Rs. 500 crore as on 29.2.2020 were made eligible under ECLGS 2.0. The scheme is valid till 31.3.2021 or till guarantees for an amount of Rs 3,00,000 crore is sanctioned, whichever is earlier.

(e) & (f): As informed by Department of Financial Services, as on 28.02.2021, the cumulative sanctioned and disbursed amount under the scheme is Rs 2.46 lakh crore and Rs 1.81 lakh crore respectively covering more than 92 lakh borrowers.
